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EU Rice Weekly, Brussels January 3 2006

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Report Highlights:

This weekly report contains data on rice prices in the U.S. and the EU. It also lists current import duties in the EU. All information will be published as such in the USDA publication "Rice Market News".

EU Brown rice tariff for the period September 1, 2005 to February 28, 2006 is EUR 42.50/MT. There is a new milled rice tariff – EUR 145/MT (from EUR 175/MT) and a new tariff for broken rice – EUR 65/MT (from EUR 128/MT), both changes are backdated to September 1, 2005.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Brussels USEU [BE2]
[E3]

Weekly rice report - Brussels, January 3 2006

Legislation lowering EU milled rice and broken rice duties has been published. The new milled rice tariff will be EUR 145/MT and the new broken rice tariff will be EUR 65/MT, both backdated to September 1, 2005. Note that in the future the milled rice import tariff can vary once every six months between EUR 145/MT and EUR 175/MT based on the previous period's import volumes.

http://europa.eu.int/eur-lex/lex/LexUriServ/site/en/oj/2005/l_346/l_34620051229en00260029.pdf

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LOWEST OFFERING PRICES Basis C&F ARAG (unless otherwise stated)

Whole Long-Grain – old crop prices for immediate delivery

	US\$/MT	US\$/100 LBS
UNITED STATES***	Bulk	Bulk
2 Milled 4 pct *	303.14	13.75
2 Brown 4/73 pct	318.57	14.45
Medium Milled 2/4 *	-	-
1 Brown parb 4/88 **	325.18	14.75

* F.A.S. basis

** While nominal price quotes are for 1 BROWN PARB 4/88, these quotes in reality refer to rice that meets all U.S. No.1 requirements except for one or two categories. Current and historical trade practice is for rice shipped to the EU to be graded only as No.2 and to be further processed upon arrival.

*** Note – These prices are spot prices and should not be used as an indication of future or forward prices.

	EUR/MT	US\$/MT	US\$/100 LBS
EUROPEAN UNION			
Spain, Indica, Paddy	170	201	9.10
Spain, Indica, Milled	405	478	21.67
Italy, Thaibonnet, paddy	210	248	11.24
Italy, Thaibonnet, milled	465	548	24.88
Italian Indica, 5%, milled	350	413	18.73
Italian Indica, 5% milled, sortex, parboiled	400	472	21.40

Prices on local markets (Italy). Italian Indica prices: basis - bulk, free on truck. Spanish indica price, delivered northern Europe.

Thai prices are available from FAS/Bangkok's weekly rice report via <http://www.fas.usda.gov/scripts/attacherep/default.asp>

IMPORT LEVIES, from 9/1/2005 to 28/02/2006

	EUR/MT	EUR/MT	US\$/MT	US\$/MT
		ACP	General	ACP
1006 20, Brown/Husked	42.5	14.17	50.13	16.71
1006 30, Milled/White	145	48.33	171.03	57.01
1006 40, Broken	65	21.67	76.67	25.56

EURO/US\$ rate	1.17955
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Source: FT, 3 January 2005

EU Import License Data

The next review of the EU brown rice import tariff will take place in early March 2006. The tariff will be set for the period March 1 2006 to August 31 2006. The tariff will be based on import license volumes from September 1 2005 to February 28 2006. If the import license volume of brown rice (excluding basmati brown rice) is less than 186,013 MT then the tariff will be EUR 30/MT. If the volume is between EUR 186,013 and 251,665 MT then the tariff will be EUR 42.50/MT. If the volume exceeds 251,665 MT, then the tariff will be EUR 65. Full details of the US-EU Rice Agreement and an explanation of how the new system works can be found in GAIN Report [E35132](#)¹

So far in Marketing Year 05/06, from September 1 until December 21, brown rice import licenses (excluding basmati licenses) have totaled 126,190 MT.

(Note the table below gives data to December 20 and basmati data to December 20).

Period: Sept 1 to December 6

MT		Marketing Year, Year to Date	
		2005-06	2004-05
Paddy	Japonica	220	220
	Indica	69	0
Brown	Japonica	4,102	2,803
	Indica	200,691	175,122
	Of which - basmati	78,599	65,890
Semi-milled	Japonica	955	580
	Indica	1,484	431
Milled	Japonica	11,706	6,514
	Indica	45,791	48,895
Total, in milled rice equivalents	Japonica	15,564	9,156
	Indica	185,691	170,221
	Total	201,255	179,377
	Brokens	40,408	32,085

Source: European Commission.
<http://forum.europa.eu.int/Public/irc/agri/igriz/library?l=/publicdomain/rice&vm=detailed&sb=Title>

Note: Import licenses, once requested are valid for the month in which they were requested plus a further two months. For example, a license granted on the 10th November would be valid until the end of January.

¹ <http://www.fas.usda.gov/gainfiles/200507/146130161.pdf>